

99-00211

In regards to Darrell Whitis' telephone conversation with Paul Garnett at Swidler Berlin Shereff Friedman, we asked them where is KMC Telecom III Holdings going to get the money to fund the operations of KMC Telecom III with a negative retained earnings for the parent company's financial statements for several years with a depleting cash account. (5/13/99) 4:00pm.

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REGULATORY AUTH.

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OFFICE OF THE
EXECUTIVE SECRETARY